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TO RUEHC/SECSTATE WASHDC IMMEDIATE 6362
INFO RUEHLB/AMEMBASSY BEIRUT PRIORITY 5161
RUEHMD/AMEMBASSY MADRID PRIORITY 0299
RUEHLA/AMCONSUL BARCELONA PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUCPDOG/DEPT OF COMMERCE WASHINGTON DC PRIORITY

C O N F I D E N T I A L DAMASCUS 000345

SIPDIS

DEPARTMENT FOR NEA/ELA, EEB/ESC/TFS
NSC FOR SHAPIRO/MCDERMOTT
COMMERCE FOR BIS/SONDERMAN
MADRID FOR DUDLEY

E.O. 12958: DECL: 05/14/2019
TAGS: [EAIR](#) [ETRD](#) [ETTC](#) [PGOV](#) [PREL](#) [SP](#) [SY](#)
SUBJECT: SPANISH COMMERCIAL COUNSELOR INQUIRES ABOUT ORION
AIR

REF: A. MADRID 462
[B.](#) SECSTATE 47933
[C.](#) MADRID 439
[D.](#) MADRID 413
[E.](#) SECSTATE 41098
[F.](#) DAMASCUS 295

Classified By: Pol/Econ Counselor Tim Pounds for reasons 1.4(b,d)

[1.](#) (SBU) Beirut-based Spanish Counselor for Economic and Commercial Affairs Miguel Iriso requested a meeting on May 14 to discuss Orion Air's situation with Post. Iriso said his home Ministry was "surprised and confused" that U.S. diplomats from Embassy Madrid had contacted Orion Air executives directly rather than first going through the Spanish Foreign Ministry with their concerns. Econoff explained to Iriso that Washington had only learned of Orion Air's contract with Syrian Pearl Airlines a few days before the company was due to deliver the aircraft to Syria. Consequently, Washington had chosen to contact Orion Air directly in an effort to warn the company that it might expose itself to legal action for violating U.S. sanctions law before any aircraft had been delivered. Sharing a sanitized copy of Embassy Madrid's talking points from ref E, Econoff explained that Orion Air had been encouraged to seek an advisory opinion from the Commerce Department's Bureau of Industry and Security (BIS) before executing the contract.

[2.](#) (SBU) Iriso then asked for an explanation of how a wet-lease of British-manufactured aircraft might violate U.S. sanctions law, and what potential ramifications may result from the issuance of the Temporary Denial Order (TDO). After briefing Iriso on the U.S. trade sanctions regime, we shared a copy of the TDO talking points from ref B that Embassy Madrid had delivered to Orion Air on May 12 (ref A).

[3.](#) (C) Econoff explained that Syrian Pearl had previously approached other airlines and aircraft manufacturers, such as Airbus, Embraer and Bombardier, with offers to purchase or lease aircraft. In most cases, the potential supplier had sought an opinion -- at least informally from Post if not an official advisory opinion from BIS -- before proceeding with a contract. Consequently, the large aircraft companies who had opted not to contract with Syrian Pearl out of respect for our sanctions regime were likely to be watching our response to Orion Air's decision. Seeming satisfied, Iriso thanked us for the explanation and said that the Spanish MFA had so far only heard "one side of the story" from the company.
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